

SICC MEETING MINUTES

Truman Building, Room 400

May 13, 2005

Members Present

Leslie Elpers
Julia Kaufmann
Melinda Sanders
Gretchen Schmitz
Darin Preis

Kathy Fuger
Amy Kessel
Pamela Speer
Sue Allen
Sherry Hailey

Melodie Friedebach
Joan Harter
Lisa Robbins
Valeri Lane

Members Not Present

Elizabeth Spaugh

Ronald Roberts

Pamela Byars

Other Staff Present

Bill Connelly
Mary Corey
Dale Carlson

Amanda Wogan
Joyce Jackman
Debby Parsons

Margaret Strecker
Alycia Haug

To review copies of handouts mentioned in the minutes below, go to the following website:
<http://dese.mo.gov/divspeced/FirstSteps/SICCmtgdates.htm> and click on "Handouts" for the meeting you are interested in.

Call to Order, Welcome, and Introductions – Valeri Lane called the meeting to order at 8:45 a.m. Introductions were made.

Approval of SICC Minutes – Sue Allen made a motion to approve the minutes with the minor editing changes mentioned. Darin Preis seconded the motion. Motion passed.

Bylaws – Valeri indicated that the SICC would be doing a first read of the bylaws because of changes required by IDEA reauthorization. Three positions were added to the membership. Melodie Friedebach mentioned the new positions and the person to fill each position:

- a representative from Children's Mental Health – Since Julia Kaufmann is the contact for the Department of Mental Health, she will represent this position on the Council along with her current position pending approval from Department of Mental Health.
- a representative from the Office of the Coordinator of Education of Homeless Children and Youth - Amy Jones from DESE, Division of School Improvement will fill this position.
- a representative from the State Foster Care Agency - Fred Simmens is willing to serve.

It was mentioned to capitalize the word "Council" throughout the document to make it consistent. This is the first read of the bylaws.

Co-Chair Nominations – Valeri stated that according to the current bylaws the Council nominates the co-chairs. Since Elizabeth Spaugh will be going off the Council as a co-chair, the Council needs to nominate a current SICC parent member to fill her position. Valeri will continue as the co-chair representing providers for another term. Sherry Hailey made a motion to nominate Joan Harter. Sue

Allen seconded the motion. Upon Elizabeth's term ending, motion carried. Amy Kessel abstained because she is a non-voting representative.

Sherry Hailey will be completing her second term on the Council, but Melodie indicated that members attend until replaced. The executive committee that will be reviewing nominations consists of the current and past co-chairs. Valeri will need to be reappointed for a second term. Mary Beth Luna is aware of the SICC positions needing filled. Melodie stated that, regarding agencies, the Council tries to appoint the director then the director can choose to send a designee. Stacy will e-mail all nominations received to the entire SICC.

Governor's Office Report on Current First Steps Legislation – Mary Beth Luna attended today's meeting to update the Council on the status of the legislation. She indicated that it passed in the senate and is currently waiting to pass in the house. This should pass at some point today without any additional changes. Most of the language is the same as what the Council has seen previously.

The first part sets up the federal program for the state designating a lead agency and how the program will be set up. The lead agency will continue to distribute First Steps funds. Regional offices had indicated that they wanted funding information given to them. The bill provides for this.

The bidding process includes agreements with local agencies that provide the same type of services. This has been done so people know what networks exist. Bids must contain the following assurances:

- Federal and state regulations will be followed,
- Contracting and/or employing providers, if geographic necessity requires,
- Early intervention services are available and accessible,
- Mechanism to insure provider oversight,
- Use of family oriented approaches,
- Use of multiple funding sources (i.e., local funding sources). It was mentioned in the previous SICC meeting that some providers/provider agencies already utilize local sources of revenue. However, SPOEs currently do not utilize local revenue sources.
- Assistive technology for reuse and oversight.

The CFO system will continue to operate as it currently does. The CFO will still pay providers based on service authorizations, but will also collect family cost participation fees and seek private insurance reimbursement.

Insurance companies can choose to reimburse individual early intervention claims up to \$3,000 per child annually or pay annually ½ of 1% of the insurance carrier's direct written premiums or \$500,000, whichever is less, in a lump sum payment. It was thought that this might decrease the insurance carrier's administrative requirements. Issues: If carriers choose to pay annually, how will dollars be linked to children? Is this applicable to HMOs? The insurance requirements apply to all health insurance policies in Missouri, unless specifically exempted in this legislation. Statutory medical coverage, as provided by SB500, will cover physical therapy, occupational therapy, speech therapy, and assistive technology for First Steps eligible children. The language reflects concerns from parents. Families will continue to receive services as they do currently with the only change being how the CFO processes the claim. Indiana uses a similar insurance program, but the lump sum payment appears to be specific to Missouri. Parents may elect to deny access to their private insurance, but if they do, they will be placed on the monthly family fee schedule at the highest rate (\$100 per month). Medicaid requires insurance to be billed first, but if the family chooses not to access their insurance then what happens? Mary Beth said that the state would be required to pay the costs of the IFSP

services (with the family paying at the higher monthly fee rate). Various agencies will need to get together to work out some of these issues. Family insurance co-pay, deductibles, coinsurance, or other out-of-pocket expenses may be paid by the state. Early intervention benefits will not be applied against a family's lifetime insurance cap. The implementation date for early intervention insurance coverage through First Steps is January 1, 2006.

SB500 includes language relating to family cost participation, requiring an exemption for family financial hardship, in addition to the Medicaid eligible exemption. Specific guidelines will be addressed as the implementation rules are developed. What happens to parents who do not pay? The regional office would be notified and the services could be suspended. This is another area that will be addressed in the rulemaking process. The implementation of family cost participation is October 1, 2005, though this deadline will be very difficult to comply with due to the time-line requirements of the state rulemaking process and existing contractual obligations between the state and the Phase II SPOE contractors.

The bill provides for employment and/or subcontracting of service providers by the SPOE regions as geographic necessity requires. This provision provides increased flexibility to the SPOEs in areas that typically have provider shortages.

Melodie indicated once the RFP development process begins, the Division is limited in the type of information that can be made public regarding the RFP. This is an Office of Administration (OA) requirement to protect the integrity of the bid process. In order to have the rebid of Phase II completed and implemented by the first of the year, the RFP must be on the street in early summer (the July timeframe). Joyce indicated that she felt the SPOE administration RFP was separate from the family cost participation and insurance discussion, so DESE will proceed with the development of the RFP. The family cost participation and insurance recovery development/rulemaking process will proceed in conjunction with the development of the RFP, likely extending into mid to late summer.

Mary Beth indicated that the early intervention operations occurring in the Phase I areas, for all practical purposes, appears to meet the requirements of SB500 (with very slight contractual modifications needed) and that only the Phase II areas would need rebid. Mary Beth will try to attend future SICC meetings.

The provisions of SB500 will automatically sunset two years after the effective date of the legislation. The sunset provision will allow the program to be evaluated by the legislature at the end of two years to determine if the program will be reauthorized. If the program is reauthorized at the two year point, another automatic sunset provision will occur twelve years after the effective date of the legislation. Melodie indicated that the sunset provision erroneously included the Early Childhood Special Education program. Mary Beth indicated that this would be corrected in the next session of the legislature.

Appointments to the SICC have not been discussed in depth due to awaiting the outcome of the legislation. This will be discussed next week at DESE. Mary Beth indicated that DESE could send over their top choices, then the Governor could appoint from those choices.

Budget/Finance Update – Dale Carlson indicated that the activity since December reflects a decrease in cost. The average amount for expenditures is now \$1.6 million (as shown on the second side of handout B - "SICC – First Steps Monthly Expenditures for Direct Services by SPOE"), which leaves First Steps in good shape for the balance of this year. Handout A, "SICC First Steps Monthly Expenditure/Revenue Report," now reflects the supplemental as being received. Percentages are

shown in the last column on handout A for EIS services, evaluation/assessments, and team meetings. The trend shows that First Steps costs are decreasing. The assumption is that some of the system changes that have been implemented over the past year are bringing about the decline in costs along with increased efficiency of operation. DESE will continue to analyze the data to determine more accurately, the reasons for the decline in First Steps system costs. Costs across all SPOE areas appear to be declining as reflected on handout B.

It was pointed out that fewer children are being served. Dale indicated that this likely reflects children being more correctly identified. Serving only eligible children (i.e., reducing the number of evaluations on children not found eligible for First Steps) tends to help decrease the over-all system cost. Expenditures on the budget handouts reflect all children with some amount of cost in the system, even if it is only an evaluation cost. It was asked if this decrease in children served should be considered a red flag for child find. To answer that question, it was pointed out that the 2% target of children served, used to evaluate child find, is a “general” nationwide number used across all states regardless of the eligibility criteria found in those states. Missouri is one of eight states with the strictest eligibility criteria. It seems reasonable that states with more strict eligibility criteria (like Missouri) might not serve 2% of the children, but that the actual number served might realistically be less than 2%. Melodie stated that DESE is working with the Department of Health and Office of Social and Economical Data Analysis (OSEDA)/University of Missouri to determine a “reasonable” target percentage for Missouri based on our eligibility criteria.

It was mentioned that children referred, but not found eligible are not identified on the SICC budget handouts. If there are children with only an evaluation cost, that would affect the cost per child. SPOE data reports are currently posted on the web. Joyce indicated it would be difficult to identify the individual children with only evaluation costs, unless it was looked at on a child specific basis. Current SICC budget reports are not set up to look at this level of detail, but rather identify “dollars out the door.” The new web based system might allow DESE to more easily identify those children who were “only” in evaluation status. Dale stated that the SICC budget report (handout A) breaks out the total cost of evaluations monthly. The total cost for all evaluations is less than 5% of total direct service costs on an annual basis. It was pointed out that the December 1 child count is presented at the bottom of budget handout A. The consensus seemed to be that this was probably the most reasonable “child count” number to use to determine “costs per child.”

Currently, DESE cannot track children once they enter ECSE. Next year a student identification system will be implemented to track children as they transition between programs. Currently, there is only referral data on those children entering the ECSE program. Does the identification number start in First Steps? It will start with any child served by DESE at a public school. The student ID process is currently being piloted and should be operational by July. Hopefully, this will link with the current Medicaid numbers. Darin mentioned Head Start is working towards the same thing. Will the identification number be assigned at referral or after determination of eligibility? This was asked because a child might be referred to First Steps, evaluated, and found not eligible, but come back at a future date and be found eligible. Mary Corey indicated that the number would be assigned to the child’s record and would therefore be available if the child reentered the First Steps system in the future.

Update on First Steps Consultant Activities – The consultants distributed a handout with updates at the last meeting. They have been working very close with DESE staff on several activities. The IFSP Quality Indicator Rating Scale (QIRS) will be implemented in August. The Northwest SPOE will be the pilot SPOE area for the web SPOE training. The consultants have also been working with SPOEs on provider recruitment based on the needs of each area. Service coordinator trainings, provider

trainings, and the Parents as Teachers' trainings have been hosted by the consultants. They have also been working with other agencies regarding appropriate referrals. The consultants will assist setting up meetings regarding the interagency agreement between DMH Regional Center directors and the SPOE directors. The IFSP trainings will be for everyone and providers are encouraged to attend. Kate Numerick indicated a First Steps message will be sent with the training information.

Update Regarding Effective Practices – Kate Numerick distributed a handout containing information on various activities. The handout contained data regarding on-line training. The other two items contained in the handout (Comprehensive System of Personnel Development committee meeting and IFSP Quality Indicators Rating Scale) are listed below with additional discussion.

IFSP Quality Indicators Rating Scale (QIRS) – Kate Numerick discussed the IFSP QIRS. Most of the information was contained in a handout, but there was some additional discussion. Rebid SPOEs are asked to bring in five redacted IFSPs to DESE for the pilot. Scoring will be piloted on these files and any necessary changes to the scoring system will be made once the pilot is complete. There will be IFSP trainings for the state, hosted by the consultants, in June 2005. The QIRS scoring will occur in late August 2005 and will be distributed statewide in the fall.

CSPD (Comprehensive System of Personnel Development) Committee Report – Kate Numerick discussed the CSPD committee meeting. Much of the information was contained in a handout that she passed around earlier, but there was some additional discussion on some areas. Any CEUs taken can be used, if the activity is approved, towards a provider's on-going credential. There is a big difference between the requirements of fifteen clock hours for CEU and fifteen child care hour credits. The CSPD committee is still looking for a measure that teachers and therapists would already have to access for their professional credits. However, it has not been determined what an hour means or the actual value of various activities. It was mentioned that this appears to be more of a points system than an actual hour system.

The activities that will be accepted will be determined through a moodle (software allowing DESE to host a closed on-line chat for recommendations) discussion. When a provider is entering their information to renew their on-going credential they will need to include the professional development activity and date completed. Some standard activities will be available on a drop down menu and those with known credit will fill in automatically. It was asked how "other activities" would get approved. This area is still a topic of discussion. If a provider has concerns or questions about their activities being approved, they should keep an outline or syllabus to show DESE what was covered.

Most providers have required professional development requirements to maintain their license. It was mentioned that the Bureau of Child Care is working on the same issue. Pam Speers indicated that it is a long process and suggested that Kate meet with them to compare processes. Both quality of the activity and amount of time will be reviewed. Those enrolled in 2005 would have three years until they must submit their documentation for an on-going credential. There will be a large group of providers in the first renewal due June 30, 2008. DESE has had internal discussions regarding this timeline. During 2006-2007, information would be provided to the field regarding the on-going credential. Providers would have about eighteen months to meet the requirements and submit their credential documentation to DESE by June 30, 2008. What happens on July 1, 2008, if providers have not submitted their information? It would be a process similar to the current graying off the matrix. There is a way to include a benchmarking system.

Part C Application – Debby Parsons indicated that DESE has developed a draft application packet for IDEA Part C funds. The application packet includes a summary of the certifications, policies,

procedures, methods, descriptions, assurances, and IDEA use of fund descriptions that the state will use to implement Part C of the IDEA. Upon receipt and approval of this application, Missouri will receive approximately \$7.4 million in federal IDEA Part C grant for July 1, 2005, through June 30, 2006. The application is in a format required by OSEP. Missouri is providing general assurance to OSEP that the state will be implementing the provisions of Part C of IDEA 2004 and will complete the revision of the state regulations by June 30, 2006, following the receipt of final federal regulations for IDEA from the federal government. The costs included in this application only reflect those costs attributable to the federal IDEA funds that are allocated to the state of Missouri and not the total cost of the First Steps System. Public comments will be accepted until June 10, 2005. This application will be available for review on the Division's website until June 28, 2005, at <http://dese.mo.gov/divspeced/FirstSteps/RulesRegs.html>. Since the application was filled out and submitted on May 2, 2005, it did not include family cost participation or insurance.

Web SPOE (mofirststeps.com) – Mary Corey indicated that this was discussed with SPOE directors yesterday. The CFO is working on finishing the system and doing internal testing. A representative from the CFO will be at DESE to do state acceptance testing with Division staff on May 24-27, 2005. There will be time after that for minor revisions. After that, the Northwest SPOE will pilot the web SPOE. Both DMH and SPOE service coordinators will be trained on this system. There will be a couple weeks to tweak before June 28, 2005, when the rest of the trainings start and run through the end of August. It was decided not to bring providers in for this training because the system will be fairly self-explanatory. DESE will create brief training documents to be sent to the providers on how to enter information into the system. It is important that every person at the SPOE working with the system is enrolled with the CFO, including support and administrative staff. Entering new children into the system is expected to start immediately. Children in the current data system will be phased into the new system over time. DESE will prioritize the group of children to move to the new data system. The webSPOE system will become the early intervention (EI) record with a few form exceptions. What happens to the case notes that providers write and have the parent's sign? There is not a requirement for a parent signature in the webSPOE system. Margaret Strecker indicated that she would have to check on this because there is a signature line on the form. Sherry indicated that the signature is required by Medicaid during audits. Debby indicated that DESE would have an internal discussion and a discussion with Medicaid regarding these comments. The monthly summaries are required to be entered into the new system. The system will be in effect statewide on August 26, 2005. Both systems will need to exist for a year. Dial-up is not recommended for the new system. This will be a big change for on-going service coordinators.

Questions for Consideration – Melodie Friedebach wanted to ask the Council questions to obtain their input regarding the legislation and upcoming RFP. The purpose of this discussion is to clarify the requirements that the SICC wants DESE to consider for the RFP. Joyce Jackman participated in the discussion.

During the Phase I rebid, there were changes to the geographic areas. DESE would like fewer SPOEs. This would be done by looking at the number of children in various graphic configurations. Along with fewer SPOEs, they would be more closely aligned with MRDD regional centers. Julia wanted to clarify the MRDD areas because, for example Kansas City and Albany have one director, but there are two regional centers. Valeri indicated it would be nice to work with and develop a relationship with one area. This will create better communication. Since the early intervention services are based in the natural environment, there is no advantage for families to have smaller areas. DESE was asked to look at the geographic region, not just the numbers. The RFP for Phase I allowed the SPOEs to hire service coordinators throughout the area and work out of their homes. The Northwest SPOE uses this model.

The administrative staff also travels throughout the area. There was a general consensus that DESE should move forward with fewer regions that are aligned with MRDD offices, no vote was taken.

What elements should DESE consider in the RFP regarding provider oversight? DESE would like to include a provider oversight section and allow the bidders to address the issue. When DESE creates the RFP it has to contain consistent elements that can be used across the state. The following suggestions were made:

- A personnel file could be created for each provider making sure the information is current. If a SPOE contracts with an agency, then the agency should keep the file and that would be in the contract between the SPOE and provider agency. The contract would allow the SPOE the right to go in and monitor. Most provider agencies hire independent contractors and direct supervision would be a touchy issue. The agency cannot supervise. DESE will still have to do some monitoring.
- What are the key points the bidders should include in their bid? Items mentioned were: CSPD; QIRS; and protocol and procedure for complaints.
- Where is the authority for a SPOE to discipline a provider? Where does the authority to take a provider off the matrix come from? If the SPOE has a provider put on the matrix, then the SPOE can ask the CFO to remove the provider.
- In the current system, the SPOE identifies a provider by using the matrix. What role does the Council see the provider matrix having? The matrix would still show that the enrollment requirements have been fulfilled.
- Currently, the state has a contract with all the providers. Should DESE require providers have a contract with each region in which they want to provide services. Does the SICC want DESE to keep the contracts or have the SPOE contract with the providers? SPOEs are not required to contract or hire. The RFP could ask for a letter from providers they plan to use.
- What criteria will be used when contracting? Two entities could bid for the same area one wanting to hire due to geographic necessity and the other saying hiring is not necessary.
- Phase I feels they provide oversight by contacting DESE when a provider is not providing services. DESE follows up with the provider. There are other areas of oversight already in place such as service coordinators, peer review, RICC, and consultants.
- This could make the SPOE very powerful in deciding who can and cannot provide services. Agencies would want a grievance process and a board from the SPOE could review any grievances.
- Families could lose their provider if the SPOE chooses to not contract with certain providers. This system will give families a more limited choice of providers.
- Look for consistency across areas for families and providers working in multiple areas. Some flexibility for regions because they all have different needs.
- Joyce summarized:
 - RFP asking the SPOE to say how they will provide oversight
 - if contract between provider and SPOE the bid would articulate how the contract will be set up
 - something to detail the geographical area (DESE could do with current data already available)
 - bidders need to have some direct relationship with the providers
 - present a business plan.

How much money is enough and how much weight should be given to the amount of additional fund? It should be based on whether there is an agreement that strengthens the business plan, not just the dollar amount. There should be a meaningful benefit from the additional funds to the First Steps system. The amount of money and the agreement should support the existing business plan.

Is peer review a concept that should be kept? The Northwest SPOE indicated that it is working well in the urban area, but is more difficult for the rural areas where there are fewer providers. If peer reviewers were under the SPOE as employees, that would help with other provider oversight. The SPOE would then be able to use them more as a resource and they could be paid for their time. This concept was originally included in Phase I because SPOEs and service coordinators need additional support to answer questions at IFSP meetings when providers want to increase the therapy. The family would tend to listen to the therapist because of their expertise. Julia Kaufmann asked about the components of the IFSP and it was mentioned that would be taken care of through compliance monitoring and the QIRS. The peer review team could also look different based on the regions' needs. It was suggested to look at other systems (ex. DMH) that have a similar system to see how theirs operates.

How should the family cost participation rules be developed? The minutes could be reviewed to create a draft to be sent out for comment. Does it need SICC approval? Debby indicated that the Council could comment on it during the public comment period. DESE will review previous SICC minutes and any SICC member can send comments into DESE. DESE will prepare a draft by the end of the June and have it to the SICC to be discussed at the July meeting. It was requested to be sent out two weeks prior to the July SICC meeting. If the draft is e-mailed, then the SICC could share it with families.

Could the RFP be made so that the Phase I and Phase II contracts are due for renewal at the same time? The Phase I contract could be amended to make the dates the same. However, it cannot be changed for something that affects the firm fixed cost of the contracts.

First Steps Exit Survey – Mary Corey had to leave the meeting, but she left copies of the survey to be distributed to the SICC. This survey will be done twice a year. Any comments or questions regarding the handout can be given to DESE.

Monitoring Report Including Provider Oversight – Margaret Strecker referred the Council to the Annual Performance Report (APR) to review the monitoring section in the report. Margaret briefly touched on what DESE will do this summer regarding monitoring. Follow-ups on Phase II SPOEs have already been arranged for this summer. This process will be similar to the initial monitoring keying in on areas found out of compliance during the initial monitoring with file reviews and provider interviews.

Independent service coordinators will be identified and files will be reviewed. DESE will be interviewing these service coordinators, in some cases by phone. They will be selected randomly and include those with a high number of children on their caseloads. DESE will also take into account data reviews, any informal issues, or formal complaints. If a problem is identified, a letter will be sent to the service coordinator, if corrective actions are needed.

Monitoring will also address compliance of providers. DESE will look to see if progress reports are turned in on time and appropriately completed, whether evaluations are completed in a timely fashion and reports submitted promptly to the SPOE, as well as, provision of services in accordance with the IFSP. Interviews will take place with families either by phone or survey. DESE will select providers randomly or through information available from data reports, child complaints, or informal issues. Monitoring will include a file review process. Corrective actions will depend on the problem found.

OSEP Conference Report – Missouri received many questions due to legislation, but other states are moving ahead with their programs. The NEILs survey is being used as a tool. Now that the

legislation crisis on First Steps has ended, there are exciting things ahead. Kate and Margaret distributed handouts from some of the sessions.

Updated Information Regarding Parent Handbooks – Should the revision be made and print a small amount or wait to make all the revisions regarding IDEA 04? The draft regulations will come out in May, but they can still change through December. The handbook will be reformatted entirely so the changes will be easier in the future. Since some sections will be outdated as of July 1, 2005, minor changes should be made.

Items for the July 8, 2005 agenda include:

- family cost participation rule
- update on the RFP for SPOEs
- piloting of the QIRS in May
- web SPOE update

In the past, the co-chairs have gone through the nominations and sent a few to the Governor's office for them to appoint, but DESE will probably not hear anything before the next meeting.

Sue Allen made a motion to adjourn the meeting. Gretchen Schmitz seconded the motion. Motion passed. Meeting adjourned at 3:00 p.m.